

**SHELBY COUNTY BOARD OF COMMISSIONERS
AGENDA ROUTE SHEET**

Referred to Commission Committee _____
For Commission Action on _____

DESCRIPTION OF ITEM:

RESOLUTION APPROVING CONTRACT WITH PROFESSIONAL COLLECTION NETWORK FOR THE PROVISIONS OF COLLECTION AGENCY SERVICES TO BE PAID ON A PERCENTAGE OF COLLECTIONS BASIS. SPONSORED BY COMMISSIONER SIDNEY CHISM

CHECK ALL THAT APPLY BELOW:

☒ This Action does NOT require expenditure of funds.

_____ This Item requires/approves expenditure of funds as follows (complete all that apply):

County General Funds: \$ _____ : County CIP Funds: \$ _____

State Grant Funds: \$ _____ : State Gas Tax Funds: \$ _____

Federal Grant Funds: \$ _____

Other funds (Specify source and amount): \$ _____

Other pass-thru funds (Specify source and amount): \$ _____

Originating Department: _____

APPROVAL:

Dept. Head: Latonya Burrow 545-5285 | LB | 1 July 09
(Type your name & phone #.) (Initials) (Date)

Elected Official: [Signature] | July 1, 2009
(Type your name & phone #.) (Initials) (Date)

Division Director: Zach Armour 545-5106 | ZA | 7/2/09
(Type your name & phone #.) (Initials) (Date)

CIP – A&F Director: _____ | _____ | _____
(Type your name & phone #.) (Initials) (Date)

Finance Dept.: Alicia Lindsey 545-4275 | _____ | _____
(Type your name & phone #.) (Initials) (Date)

County Attorney: Lisa Kelly | LK | 7/2/09
(Type your name & phone #.) (Initials) (Date)

CAO/Mayor: Jim Huntzicker 545-4514 | JH | 7/2/09
(Type your name & phone #.) (Initials) (Date)

Item # _____

PREPARED BY _____

COMMISSIONER _____

APPROVED BY _____

**RESOLUTION APPROVING CONTRACT WITH PROFESSIONAL
COLLECTION NETWORK FOR THE PROVISIONS OF COLLECTION AGENCY
SERVICES TO BE PAID ON A PERCENTAGE OF COLLECTIONS BASIS.
SPONSORED BY COMMISSIONER SIDNEY CHISM**

WHEREAS, The General Sessions Court Clerk collects various fees, court costs, and fines on misdemeanor cases brought before the General Sessions Court; and

WHEREAS, The Clerk is desirous of obtaining professional collection services on certain designated Accounts that deemed delinquent because they are greater than 180 days old; and

WHEREAS, There are currently approximately 1000 delinquent Accounts totaling \$1,000,000.00 that are assigned monthly; and

WHEREAS, T.C.A. 40-24-105 authorizes the use of a collection agency to collect the Accounts; and

WHEREAS, The County issued a Request for Proposal number 08-00255 for collection Agency Services; and

WHEREAS, By the deadline of March 6, 2009, eight (8) firms having the knowledge and expertise to provide the requested services submitted proposals; and

WHEREAS, Out of the Proposals submitted, the reviewing committee selected Professional Collection Network, based on cost, expertise in the field, and services offered; and

WHEREAS, The parties now desire to enter into a contract for Collection Agency Services with the initial term to begin upon execution and continue through June 30, 2009 with three (3) one (1) year options to renew upon mutual written agreement of the parties; and

WHEREAS, The cost for these services will be thirty percent (30%) of the total amount collected.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That the contract with Professional Collection Network for Collection Agency Services with the fee for said contract to be based on thirty percent (30%) of the total amount collected are hereby approved.

BE IT FURTHER RESOLVED, That the Mayor be and is hereby authorized to execute said contract on behalf of Shelby County Government, copies of which are on file in the Contract Administration Department.

BE IT FURTHER RESOLVED, That funds from this contract be appropriated to the individual Fund Accounts in accordance to Tennessee State Law for each year this contract is in effect.

BE IT FURTHER RESOLVED, That all renewal periods are approved subject to the availability of funds for each year the contract is in effect.

BE IT FURTHER RESOLVED, That the County Mayor and the Director of the Division of Administration and Finance be and are hereby authorized to issue the warrants to Professional Collection Network in an amounts equal to thirty percent (30%) of the total amount of collection for this contract and to take proper credit in their account therefore.

BE IT FURTHER RESOLVED, That this Resolution shall take effect from and after the date it shall have been enacted according to due process of law, the public welfare requiring it.

A C Wharton, Jr.
Shelby County Mayor

DATE _____

ATTEST:

Clerk of County Commission

ADOPTED _____

SUMMARY SHEET

I. Description of Item

The General Sessions Court Clerk (the "Clerk") collects various fees, court costs, and fines on misdemeanor cases brought before the General Sessions Court. The Clerk has an established in-house billing and collection system. The Clerk is desirous of obtaining professional collection services on certain designated Accounts that are greater than 180 days old (the "Accounts"). T.C.A. 40-24-105 authorizes the use of a collection agency to collect the Accounts. There are currently approximately 1000 delinquent Accounts totaling \$1,000,000.00 that are assigned monthly. A detailed break out of those Accounts is available upon request from the Clerk's office. The County issued a Request for Proposal number 08-00255 for Collection Agency Services; and out of the Proposals submitted, the reviewing committee selected Professional Network Collection, based on cost, expertise in the field, and services offered. The cost for these services will be thirty percent (30%) of the total amount collected.

II. Source and Amount of Funding

Not applicable

III. Contract Items

Contract on file in the Purchasing Department.

GRATUITY DISCLOSURE FORM**Shelby County Ethics Commission**

INSTRUCTIONS: This form is for all persons receiving any Shelby County Government contract, land use approval or financial grant money to report any gratuity that has been given, directly or indirectly, to any elected official, employee or appointee (including their spouses and immediate family members) who is involved in the decision regarding the contract, land use approval, or financial grant of money.

1. **NAME**

JAMES L. MITCHELL

2. **DATE OF GRATUITY**

NA

3. **NATURE AND PURPOSE OF THE GRATUITY**

NA

4. **NAME OF THE OFFICIAL, EMPLOYEE, APPOINTEE, OR FAMILY MEMBER WHO RECEIVED THE GRATUITY**

NA

5. **NAME OF THE PERSON OR ENTITY THAT PROVIDED THE GRATUITY**

NA

6. **ADDRESS OF THE PERSON OR ENTITY THAT PROVIDED THE GRATUITY**

NA

7. DESCRIPTION OF THE GRATUITY

NA

8. COST OF THE GRATUITY (If cost is unknown and not reasonably discernible by the person giving the gratuity, then the person giving the gratuity shall report a good faith estimate of the cost of the gratuity.)

NA

9. The information contained in this Gratuity Disclosure Form, and any supporting documentation or materials referenced herein or submitted herewith, is true and correct to the best of my knowledge, information and belief and affirm that I have not given, directly or indirectly, any gratuity to any elected official, employee or appointee (including spouse and immediate family members) that has not been disclosed and I affirm that I have not violated the provisions of the Shelby County Government Code of Ethics.


Signature

7-1-09
Date

JAMES L MITCHELL
Print Name

A copy of your completed form will be placed on the Shelby County Internet website.

Western Surety Company

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That WESTERN SURETY COMPANY, a corporation organized and existing under the laws of the State of South Dakota, and authorized and licensed to do business in the States of Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming, and the United States of America, does hereby make, constitute and appoint

Paul T. Bruflat of Sioux Falls
State of South Dakota, its regularly elected Senior Vice President,
as Attorney-in-Fact, with full power and authority hereby conferred upon him to sign, execute, acknowledge and deliver for and on its behalf as Surety and as its act and deed, the following bond:

One Collection Agency

bond with bond number 69036392

for Professional Collections Network, Inc.
as Principal in the penalty amount not to exceed: \$20,000.00

Western Surety Company further certifies that the following is a true and exact copy of Section 7 of the by-laws of Western Surety Company duly adopted and now in force, to-wit:

Section 7. All bonds, policies, undertakings, Powers of Attorney, or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys-in-Fact or agents who shall have authority to issue bonds, policies, or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile.

In Witness Whereof, the said WESTERN SURETY COMPANY has caused these presents to be executed by its
Senior Vice President with the corporate seal affixed this 3rd day of March,
2009.

ATTEST

L. Nelson
L. Nelson, Assistant Secretary

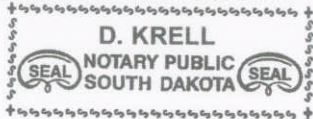
WESTERN SURETY COMPANY
By Paul T. Bruflat
Paul T. Bruflat, Senior Vice President



STATE OF SOUTH DAKOTA }
COUNTY OF MINNEHAHA } ss

On this 3rd day of March, 2009, before me, a Notary Public, personally appeared
Paul T. Bruflat and L. Nelson

who, being by me duly sworn, acknowledged that they signed the above Power of Attorney as Senior Vice President
and Assistant Secretary, respectively, of the said WESTERN SURETY COMPANY, and acknowledged said instrument to be the
voluntary act and deed of said Corporation.



My Commission Expires November 30, 2012

Form F1975-9-2006

D. Krell

Notary Public



Western Surety Company

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That WESTERN SURETY COMPANY, a corporation organized and existing under the laws of the State of South Dakota, and authorized and licensed to do business in the States of Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming, and the United States of America, does hereby make, constitute and appoint

Paul T. Bruflat of Sioux Falls
State of South Dakota, its regularly elected Senior Vice President
as Attorney-in-Fact, with full power and authority hereby conferred upon him to sign, execute, acknowledge and deliver for and on its behalf as Surety and as its act and deed, the following bond:

One Collection Agency

bond with bond number 69036392

for Professional Collections Network, Inc.
as Principal in the penalty amount not to exceed: \$20,000.00

Western Surety Company further certifies that the following is a true and exact copy of Section 7 of the by-laws of Western Surety Company duly adopted and now in force, to-wit:

Section 7. All bonds, policies, undertakings, Powers of Attorney, or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys-in-Fact or agents who shall have authority to issue bonds, policies, or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile.

In Witness Whereof, the said WESTERN SURETY COMPANY has caused these presents to be executed by its
Senior Vice President with the corporate seal affixed this 3rd day of March
2009

ATTEST

L. Nelson

L. Nelson, Assistant Secretary

WESTERN SURETY COMPANY

By

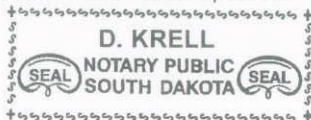
Paul T. Bruflat

Paul T. Bruflat, Senior Vice President

STATE OF SOUTH DAKOTA }
COUNTY OF MINNEHAHA } ss

On this 3rd day of March, 2009, before me, a Notary Public, personally appeared
Paul T. Bruflat and L. Nelson

who, being by me duly sworn, acknowledged that they signed the above Power of Attorney as Senior Vice President
and Assistant Secretary, respectively, of the said WESTERN SURETY COMPANY, and acknowledged said instrument to be the
voluntary act and deed of said Corporation.



My Commission Expires November 30, 2012

Form F 1975-9-2006

D. Krell

Notary Public



Amendment to Agreement

THIS AMENDMENT (hereinafter "Amendment") is made and entered into this _____ day of _____, 2009, by and between SHELBY COUNTY GOVERNMENT (hereinafter "COUNTY") and PROFESSIONAL COLLECTION NETWORK, INC. (hereinafter "AGENCY").

WHEREAS, the parties previously entered into an Agreement (hereinafter "Agreement") dated July 1, 2008, for professional collection services to collect certain delinquent debts for the Shelby County General Sessions Court Clerk's Office; and

WHEREAS, said Agreement was for an initial term of July 1, 2008 through June 30, 2009 with options to renew for three (3) additional one-year periods, upon mutual written consent of the parties; and

WHEREAS, the parties now desire to enter into this Amendment to renew the Agreement for an additional one-year period, beginning July 1, 2009, and continuing through June 30, 2010.

NOW, THEREFORE, for and in consideration of the mutual promises of the parties to this Agreement and other good and valuable considerations, the receipt of which is hereby acknowledged, the parties hereto do hereby agree as follows:

1. The Agreement between the parties is hereby amended to renew said Agreement for the period beginning July 1, 200~~9~~, to June 30, 20~~09~~.
2. This Amendment shall be subject to and contingent upon the adoption of the Fiscal-Year 2009-2010 Operating Budget of Shelby County Government by the Board of County Commissioners, and approval of the cost for this Amendment within said Operating Budget.
3. Except as amended, the terms and conditions of the original Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment on the _____ day of _____, 2009.

**APPROVED AS TO FORM
AND LEGALITY:**

Contract Administrator
Assistant County Attorney

SHELBY COUNTY GOVERNMENT

A C WHARTON, JR.
MAYOR

PROFESSIONAL COLLECTION NETWORK, INC.

By: James L. Mitchell

Title: PRESIDENT

CORPORATE ACKNOWLEDGMENT

STATE OF TENNESSEE
COUNTY OF SHELBY

Before me, the undersigned Notary Public, in and for the State and County aforesaid, personally appeared James Mitchell, with whom I am personally acquainted or proved to me on the basis of satisfactory evidence, and who, upon oath, acknowledged himself/herself to be president or other officer authorized by appropriate Corporate action and/or Resolution to execute the preceding instrument of the Professional Collection Network, Inc., the within named bargainor, a corporation, and that he as such PRESIDENT, executed the foregoing instrument for the purpose therein contained, by signing the name of the corporation by himself/herself as PRESIDENT.

WITNESS my hand and official seal at office this 1st day of July, 2009.

Gortria C. Banks
Notary Public

My Commission Expires
My Commission Expires: October 10, 2012

